# Congress of the United States Washington, DC 20515

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April 2, 2019

The Honorable Ajit V. Pai Chairman Federal Communications Commission 445 12th Street SW Washington, DC 20554

Dear Chairman Pai:

We appreciate the Federal Communications Commission's (FCC) efforts to make the High-Cost Universal Service Fund more effective through a series of Connect America Fund (CAF) reforms. The FCC's focus on ensuring providers live up to their promises of broadband penetration performance in rural areas will be essential to achieve the goals of universal service in the 21<sup>st</sup> century.

At the same time, it is important to implement new rules and systems properly to ensure that information on progress is captured accurately to avoid undermining the primary focus on advancing broadband. For these reasons, we write to ask the FCC to take a more practical approach to implementing new performance testing mechanisms in connection with CAF support.

To be clear, we believe it is important that CAF recipients be held accountable for the use of such support, and we further believe there should be robust expectations as to performance. We have heard, however, that the process of implementing network performance testing has grown complicated, and that there are significant concerns – especially among smaller CAF recipients – about the ability to implement such testing at this time or in coming months.

First, we understand that the FCC has not yet finalized the standards for selecting which customer locations will be tested or the information that providers will be required to report. Second, we have heard that numerous petitions for reconsideration and applications for review of the standards previously adopted by the FCC remain pending. Third, we understand that the market for testing solutions is still evolving with vendors – upon which smaller operators in particular will need to rely – refining and just starting to offer solutions. Fourth, because of these other issues, it is our understanding that smaller operators have had little to no opportunity to choose solutions that work best for their networks and thus no real opportunity to begin to implement these solutions in their networks.

Considering all of these factors, we believe critical questions must be answered before the Commission moves forward to help ensure performance testing generates reliable data that can be used to better guarantee dependable broadband service for consumers. This should not put off important measures of accountability, nor should it be an excuse merely to allow the FCC to catch up on its internal processes. Rather, additional information from the Commission will help ensure the performance testing system is reliable.

We request the Commission provide answers to the following questions before moving forward: (1) What are the standards for location selection and reporting?; (2) When will there be resolution of the outstanding petitions and applications to alter aspects of the testing process?; (3) Will sufficient time be allotted for development of a variety of vendor solutions that conform to the finalized standards and any changes resulting from the petitions and applications?; and (4) Will there be a meaningful opportunity for implementation and testing of the solutions by providers in their networks prior to compliance being expected? Reasonable time is needed to complete each one of these tasks in order, and we encourage the FCC to ensure such time is afforded while striving toward ultimate implementation of a workable performance testing framework.

Thank you for your attention to these important CAF programs, and we share your commitment to ensuring that the millions of rural Americans who depend upon them receive the services expected from the programs. We look forward to hearing from you what steps will be taken to balance these important accountability considerations with the practical impacts of implementing testing in the near future.

Sincerely,

PETER WELCH

Member of Congress

DAVID LOEBSACK

Member of Congress



# FEDERAL COMMUNICATIONS COMMISSION WASHINGTON

May 13, 2019

The Honorable Dave Loebsack
U.S. House of Representatives
1211 Longworth House Office Building
Washington, DC 20515

### Dear Congressman Loebsack:

Thank you for your letter regarding the importance of affordable and reliable broadband in communities with limited access. Closing the digital divide, especially in rural parts of America, is my top priority—and one that the Commission is working on all fronts to support. I've seen how the business case for deployment too often doesn't exist without federal help. That's why we've been pursuing an aggressive agenda to expand high-speed Internet access in rural America.

For example, through our ground-breaking Connect America Fund Phase II reverse auction, we're awarding about \$1.5 billion to connect over 713,000 homes and small businesses nationwide with fixed broadband. This will make a big difference. Last fall, when I visited Vermont's Northern Kingdom, I saw for myself how important broadband is for rural development in places like Greensboro, Springfield, and St. Johnsbury. And just last month, I met with representatives of electric cooperatives from across the country who will deliver gigabit fiber to previously unserved rural areas, enabling things like telemedicine and precision agriculture—and strengthening rural communities.

Last December, we also reformed our Alternative Connect America Model, or A-CAM program. Specifically, we offered many small, rural carriers more funding in return for deploying faster broadband to more rural locations. As a result of these offers, we announced last month that an additional 106,000 rural homes and small businesses will get faster broadband. That's a 31.8% increase in the number of locations receiving broadband of at least 25/3 Mbps speeds through the A-CAM program.

We've also begun requiring that small, rural carriers that still rely on the FCC's legacy mechanism provide faster broadband to more rural locations. Under the prior Administration's rules, these carriers were only required to provide 10/1 service to around 115,000 locations. Under our new rules, these same carriers will have to provide at least 25/3 broadband to more than 600,000 locations. At the same time, we initiated a second round of A-CAM offers to these carriers. If all accept, they will have to provide 25/3 service to at least 1.1 million new locations.

I also agree with you that ensuring providers live up to their promises of broadband performance in rural areas is essential to achieving the goals of universal service in the 21<sup>st</sup> century. That's why the FCC's Wireline Competition Bureau, Wireless Telecommunications Bureau, and the Office of Engineering and Technology established a uniform framework for

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measuring the speed and latency performance for recipients of Connect America Fund support last July. This framework requires providers to submit testing results to promote greater accountability for recipients of high-cost universal service funds, while attempting to avoid unnecessary burdens on smaller carriers. I agree with you that for this framework to function, providers will need a meaningful opportunity to implement and test solutions. Commission staff are completing their review of several pending petitions for reconsideration, and I expect we will move forward with a decision in the coming weeks.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely.

Ajit V. Pai



# FEDERAL COMMUNICATIONS COMMISSION WASHINGTON

May 13, 2019

The Honorable Peter Welch U.S. House of Representatives 2303 Rayburn House Office Building Washington, DC 20515

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